

EXHIBIT A-4

3

MARSH SERVICES LIMITED

Report and Financial Statements

26 December 2005



MARSH SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS 2005

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MARSH SERVICES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of Marsh Services Limited (the 'Company') for the period from 1 January 2005 to 26 December 2005.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

During the period under review, the Company continued to provide employee services to certain UK companies within the Marsh group. These activities are expected to continue for the foreseeable future.

During 2005, the payroll function was outsourced to ADP.

On 20 and 21 December 2005, the Company received £60,000,000 and £60,120,000 respectively by way of interest-free loan from another group company. The loan, which is repayable on demand was provided to enable the Company to pay additional pension funding and to reduce the pension fund deficit.

POST BALANCE SHEET EVENT

On 28 December 2005, the Company paid £120,120,000 into the Marsh & McLennan Companies UK Limited pension fund. On 1 April 2006 Marsh UK Pension Fund ("the Fund") benefit formula was altered. With effect from that date benefits in respect of service up to 1 April 2006 continue to be calculated on a Final Salary basis. Benefits in respect of service after that date will be calculated on a Career Revalued basis.

CHANGE OF ACCOUNTING REFERENCE DATE

The Company shortened its accounting reference date to 26 December in the current period.

RESULTS AND DIVIDENDS

The results of the Company for the financial period ended 26 December 2005 are set out on page 7.

The Company reports a profit on ordinary activities after taxation for the financial period of £58,079,000 (2004 - £33,036,000).

The directors do not recommend the payment of a final dividend (2004 - £nil).

FINANCIAL INSTRUMENTS

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant to this company are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with these due from other group companies who are able to repay these if required.

MARSH SERVICES LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS

The directors who served throughout the period, except as noted, were as follows:

Mr M W Cooper-Mitchell	(Resigned 31 December 2005)
Mr G E Davies	(Appointed 1 January 2006)
Mrs J A Elms	
Miss T E Foster	(Resigned 24 May 2005)
B J Howett	(Chairman) (Appointed 20 May 2005)
Mr A A Hyland	(Resigned 30 March 2005)

INDEMNITY

The Company has put in place an indemnity in the Articles of Association to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s309A and s309B of the Companies Act 1985, as amended by the Companies (Audit, Investigations and Community Enterprise) Act 2004.

DIRECTORS' INTERESTS

The Company's ultimate parent company is Marsh & McLennan Companies, Inc., a company registered in the State of Delaware, USA. As the ultimate parent company is a body corporate incorporated outside Great Britain, the directors are exempt from the requirement to notify the Company of interests in shares in other group companies outside Great Britain. There are no other interests requiring disclosure.

• EMPLOYEE INVOLVEMENT

Employees are provided with information on a regular basis concerning the activities and performance of the companies within the group. This is achieved by the circulation of management bulletins and in-house magazines. In addition, regular meetings of representatives of management and staff are held to seek the views of employees upon matters likely to affect their interests.

The group operates two Savings Plans which enable staff to purchase shares in the Common Stock of Marsh & McLennan Companies, Inc. The SAYE Plans operate over three and five year periods and the Stock Purchase Plan operates on the basis of a one year savings period.

EMPLOYMENT OF DISABLED PERSONS

Applications for employment by disabled persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of a person who is fortunate enough not to suffer from a disability.

ELECTIVE RESOLUTIONS

In accordance with Section 379A of the Companies Act 1985, the Company has elected to dispense with the laying of accounts and reports before the Company in general meeting, the holding of annual general meetings and the obligation to appoint auditors annually.


MARSH SERVICES LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

Deloitte & Touche LLP will continue as auditors of the Company.

Approved by the Board of Directors
and signed on behalf of the Board



A H M Cormack
Secretary

23 OCTOBER 2006

MARSH SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare such financial statements for each financial period/year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those financial statements, the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards have been followed;
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARSH SERVICES LIMITED

We have audited the financial statements of Marsh Services Limited for the period ended 26 December 2005 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARSH SERVICES LIMITED (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 26 December 2005 and of its profit for the period from 1 January 2005 to 26 December 2005; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

23 October 2006

MARSH SERVICES LIMITED**PROFIT AND LOSS ACCOUNT**

For the period from 1 January 2005 to 26 December 2005

	Notes	2005 Period to 26 December £'000	Year ended 31 December 2004 Restated (see note 17) £'000
TURNOVER	2	440,601	438,848
Administrative expenses:			
- exceptional items	4	(28,251)	(24,559)
- other administrative expenses		(329,291)	(366,714)
		(357,542)	(391,273)
OPERATING PROFIT		83,059	47,575
Interest payable and similar charges	5	(450)	-
Interest receivable and similar income	6	-	40
Other finance income/(charges)	14c	296	(500)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		82,905	47,115
Tax charge on profit on ordinary activities	9	(24,826)	(14,079)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT FOR THE FINANCIAL PERIOD/YEAR	16	58,079	33,036

All transactions derive from continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2005 Period to 26 December £'000	2004 Restated (see note 17) £'000
Profit on ordinary activities after taxation		58,079	33,036
Actuarial losses net of taxation		(36,260)	(72,240)
Prior period adjustment	17	(324,072)	-
TOTAL RECOGNISED LOSSES IN THE PERIOD		(302,253)	(39,204)

MARSH SERVICES LIMITED

BALANCE SHEET
26 December 2005

	Notes	26 December 2005 £'000	As at 31 December 2004 Restated (see note 17) £'000
CURRENT ASSETS			
Debtors	10	168,188	130,239
Cash at bank and in hand		130,643	3,694
		<u>298,831</u>	<u>133,933</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	11	(296,207)	(161,435)
NET CURRENT ASSETS/(LIABILITIES)		<u>2,624</u>	<u>(27,502)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,624</u>	<u>(27,502)</u>
PROVISIONS FOR CHARGES AND LIABILITIES	12	(23,039)	(22,274)
NET LIABILITIES BEFORE NET POST-RETIREMENT LIABILITY		<u>(20,415)</u>	<u>(49,776)</u>
Net post-retirement liability	14	(274,941)	(267,400)
NET LIABILITIES		<u>(295,356)</u>	<u>(317,176)</u>
CAPITAL AND RESERVES			
Called up share capital	15, 16	1	1
Profit and loss account	16	(295,357)	(317,177)
EQUITY SHAREHOLDERS' FUNDS	16	<u>(295,356)</u>	<u>(317,176)</u>

These financial statements were approved by the Board on 23 October 2006 and signed on behalf of the Board by

Director

Ryan Howell

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS
Period ended 26 December 2005

1. ACCOUNTING POLICIES

Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

Interest income and expenses

Interest income and expenses are accrued on a day-to-day basis.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

In accordance with FRS 19, deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are including in financial statements. *Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.* Deferred tax assets and liabilities are not discounted.

Pension and other post retirement benefits

The Company adopted FRS17 'Retirement Benefits' in full in 2005.

Regular valuations are prepared by an independent professionally qualified actuary employed within the Marsh & McLennan Companies UK Limited group. These determine the level of contributions required to fund the benefits set out in the rules of the plans and allow for the periodic increase of pensions in payment. Following the full adoption of FRS 17, the regular service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, is charged to operating profit in the year.

A credit/(debit) representing the expected return on the assets of the retirement benefit schemes during the year is included within other finance income/(charges). This is based on the market value of the assets of the scheme at the start of the financial year.

A charge within other finance income/(charges), representing the expected increase in the liabilities of the retirement benefit schemes during the year, is included within net interest. This arises from the liabilities of the scheme being one year closer to payment.

The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet net of deferred tax.

Differences between actual and expected returns on assets during the year are recognised in the statement of total recognised gains and losses in the year, together with differences arising from changes in assumptions.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Foreign currency transactions are translated into sterling at the rates of exchange at the dates the transactions occurred.

All gains and losses arising from foreign exchange transactions are dealt with in the profit and loss account.

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

1. ACCOUNTING POLICIES (continued)

Cash flow statement

The Company is exempt from producing a cash flow statement under FRS1 "Cash Flow Statements" (revised 1996) as more than 90% of the voting rights are owned by its ultimate parent undertaking. A consolidated cash flow statement can be found in the published accounts of the ultimate parent company Marsh & McLennan Companies, Inc.

2. TURNOVER

Turnover comprises service charges and other income from group companies and is taken to the profit and loss account in the year to which it relates. All turnover arises in the United Kingdom.

3. AUDIT FEES

The audit fee was borne by a fellow subsidiary undertaking during the current period and preceding year.

4. ADMINISTRATIVE EXPENSES

	Period ended 26 December 2005 £'000	Year ended 31 December 2004 £'000
Exceptional items (see below)	28,251	24,559

The exceptional item in 2005 is a charge of £28,251,000 (2004 - £24,559,000) relating to redundancy costs.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period ended 26 December 2005 £'000	Year ended 31 December 2004 £'000
Interest payable	438	-
Loss on foreign exchange	12	-
	<u>450</u>	<u>-</u>

6. INTEREST RECEIVABLE AND OTHER INCOME

	Period ended 26 December 2005 £'000	Year ended 31 December 2004 £'000
Interest receivable	-	36
Gain on foreign exchange	-	4
	<u>-</u>	<u>40</u>

MARSH SERVICES LIMITED**NOTES TO THE ACCOUNTS (continued)**
Period ended 26 December 2005**7. EMPLOYEE INFORMATION**

Marsh Services Limited is the principal employing company within the Marsh & McLennan Companies UK Limited group.

Employee information contained in these financial statements relates to all personnel employed by Marsh Services Limited.

Further information regarding employee involvement is given in the directors' report of Marsh & McLennan Companies UK Limited.

Amounts paid in respect of employees and directors during the year include the following:

	Period ended 26 December 2005	Year ended 31 December 2004 Restated (see note 17)
	£'000	£'000
Employee costs (including directors)		
Redundancy cost	28,251	24,559
Aggregate gross salaries and wages	242,831	258,229
Employers' national insurance contributions	27,643	28,426
Employers' pension contributions under the group pension scheme	27,528	37,800
	<u>326,253</u>	<u>349,014</u>
	Period ended 26 December 2005	Year ended 31 December 2004
	No.	No.
The average monthly number of persons, including directors, employed by the company during the year was as follows:		
Administration	5,174	5,671
Information systems	150	167
	<u>5,324</u>	<u>5,838</u>

8. DIRECTORS' EMOLUMENTS

The directors are also directors of fellow group undertakings. It is not practicable to allocate their emoluments between their services as directors of the Company and their services as directors of the fellow group undertakings. Consequently, their emoluments are shown in the Company where their main area of responsibility lies.

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

9. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	Period ended 26 December 2005 £'000	Year ended 31 December 2004 Restated (see note 17) £'000
The taxation charge comprises:		
United Kingdom corporation tax at 30% (2004 - 30%)	13,796	14,753
Adjustments in respect of prior years	(5,573)	(96)
Total current tax	8,223	14,657
 <i>Deferred taxation (note 13)</i>		
Current year	11,075	(618)
Prior year	5,528	40
Total deferred taxation	16,603	(578)
Total tax charge on profit on ordinary activities	24,826	14,079

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK of 30% (2004 - 30%). The differences are explained below:

	Period ended 26 December 2005 £000	Year ended 31 December 2004 Restated (see note 17) £000
Profit on ordinary activities before tax	82,905	47,115
Expected tax charge at 30% thereon	24,872	14,134
Effects of:		
Adjustments in respect of prior years	(5,573)	(96)
Short-term timing differences	-	1,236
Movement in pension and post retirement benefit obligations	(11,076)	(617)
Total current tax	8,223	14,657

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

10. DEBTORS:
Amounts falling due within one year

	Period ended 26 December 2005	Year ended 31 December 2004 Restated (see note 17)
	£'000	£'000
Amounts owed by parent and fellow subsidiary undertakings	123,501	75,747
Amounts recoverable from other group undertakings in respect of taxation	19,154	8,536
Deferred tax (note 13)	20,704	43,920
Other debtors	4,829	2,036
	<u>168,188</u>	<u>130,239</u>

11. CREDITORS:
Amounts falling due within one year

	Period ended 26 December 2005	Year ended 31 December 2004
	£'000	£'000
Bank overdraft	-	15,448
Amounts owed to other group undertakings	238,648	100,001
Other creditors		
- Amounts due to other group undertakings in respect of taxation	1,082	1,082
Accruals and deferred income	56,477	44,904
	<u>296,207</u>	<u>161,435</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	At 1 Jan 2005 £'000	Utilisation £'000	Increase/ (release) £'000	At 26 Dec 2005 £'000
Post-retirement benefits	11,764	(423)	-	11,341
Incapacity provision	10,510	350	838	11,698
	<u>22,274</u>	<u>(73)</u>	<u>838</u>	<u>23,039</u>

Post-retirement benefits other than pensions comprised prior year obligations for certain pensioners relating to healthcare and life assurance benefits over the remaining lives of those pensioners.

The Incapacity provision comprises the current value of expected future amounts payable to or on behalf on staff on the Long-Term Sick Scheme, net of amounts covered by insurance.

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

13. DEFERRED TAXATION

	Period ended 26 December 2005	Year ended 31 December 2004 Restated (see note 17)
	£'000	£'000
Provided		
Movements on the deferred taxation account were as follows:		
At 1 January	43,920	55,294
Charged to profit and loss account	(16,603)	578
Transfer to statement of total recognised gains and losses	(18,841)	(19,102)
Transfer to other group company	(80)	6,640
Movement in net post-retirement liability	12,308	510
At 31 December	20,704	43,920

Analysis of deferred tax balance:

	Period ended 26 December 2005	Year ended 31 December 2004 Restated (see note 17)
	£'000	£'000
Short-term timing differences	6,411	4,061
Pension and post-retirement obligations	14,293	39,859
	20,704	43,920

The transfer to statement of total recognised gains and losses is the current year reversal of the tax relief for pension contributions made to cover an actuarial loss in the pension fund. Corporation tax relief for these payments is being spread over a number of years and there is an equal and opposite movement for current tax in the statement of total recognised gains and losses.

14. PENSION SCHEME

a) Financial assumptions

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 December 2003 and updated to 26 December 2005 by a qualified actuary period employed within the Marsh & McLennan Companies UK Limited group. The major assumptions used by the actuary were (in nominal terms):

	At period end 26 Dec 2005	At year end 31 Dec 2004	At year end 31 Dec 2003
	%	%	%
Rate of increase in salaries	4.00	4.00	4.00
Rate of increase of pensions in payment	2.75	2.75	2.50
Rate of increase of pensions in deferment	2.75	2.75	2.50
Discount rate	4.70	5.30	5.40
Inflation assumption	2.75	2.75	2.50

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

14. **PENSION SCHEME (continued)**b) **Market value of assets and expected rates of return**

	At period end 26 Dec 2005		At year end 31 Dec 2004		At year end 31 Dec 2003	
	%	£m	%	£m	%	£m
Equities	7.1	1,127.7	7.5	934.1	7.8	811.7
Government bonds	4.1	371.7	4.3	258.2	4.8	241.0
Non-government bonds	4.7	341.3	5.3	371.6	5.4	350.0
Property	7.1	45.5	7.5	44.8	7.8	21.0
Insured pensions	4.7	5.6	5.3	1.1	5.4	1.0
Cash	4.5	9.6	4.8	0.3	3.8	4.5
Total market value of assets		1,901.4		1,610.1		1,429.2
Actuarial value of liability		(2,294.2)		(1,992.1)		
Total deficit in the scheme		(392.8)		(382.0)		
Effect of surplus cap		-		-		
Recoverable deficit in the scheme		(392.8)		(382.0)		
Related deferred tax asset		117.9		114.6		
Net pension deficit		(274.9)		(267.4)		

c) **Analysis of the amounts charged to operating profits**

	Period ended 26 Dec 2005 £m	Year to 31 Dec 2004 £m
Operating cost		
Current service cost	42.3	37.8
Curtailment gain	(15.2)	(1.2)
Past service cost	1.7	0.3
Total operating charge	28.8	36.9
Finance cost		
Expected return on scheme assets	(103.3)	(92.9)
Interest on pension liabilities	103.1	93.4
Net finance (income)/charges	(0.2)	0.5
Total pension costs	28.6	37.4

d) **Analysis of amounts recognised in statement of total recognised gains and losses**

	Period ended 26 Dec 2005 £m	Year to 31 Dec 2004 £m
Actual return less expected return on assets	185.1	70.8
Experience gains and losses on liabilities	10.0	(26.6)
Changes in assumptions	(246.9)	(147.4)
Actuarial loss recognised in statement of recognised gains and losses	(51.8)	(103.2)

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

14. PENSION SCHEME (continued)

e) Movements in liability during the period/year

	Period ended 26 Dec 2005 £m	Year to 31 Dec 2004 £m
Deficit of scheme at beginning of period/year	(382.0)	(302.5)
Movement in year:		
Current service cost	(42.3)	(37.8)
Contributions	69.6	61.1
Past service costs	(1.7)	(0.3)
Curtailment	15.2	1.2
Other finance income/(costs)	0.2	(0.5)
Actuarial loss	(51.8)	(103.2)
Deficit of scheme at end of period/year	(392.8)	(382.0)

The actuarial valuation at 26 December 2005 showed an increase in the deficit from £382.0m to £392.8m. Improvements in benefits costing £1.7m were made in 2005 and contributions increased to £69.6m.

f) History of experience gains and losses

	Period ended 26 December 2005 £m	Year ended 31 December 2004 £m
Actual return less expected return:		
Amount	185	71
% of scheme assets at end of period/year	10%	4%
Experience gains and losses on scheme liabilities:		
Amount	10	(27)
% of scheme liabilities at end of period/year	0%	(1%)
Total amount recognised in statement of total recognised gains and losses:		
Amount	(52)	(103)
% of scheme liabilities at end of period/year	(2%)	(5%)

15. CALLED UP SHARE CAPITAL

	2005 £'000	2004 £'000
Authorised, called up, allotted and fully paid:		
Ordinary shares of £1 each	1	1

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £'000	Profit and loss account £'000	Total £'000
As at 1 January 2005 as previously reported	1	6,896	6,897
Prior period adjustment (see note 17)	-	(324,072)	(324,072)
Retained profit for the financial period/year	-	58,079	58,079
Actuarial loss on pension liability net of taxation	-	(36,260)	(36,260)
As at 26 December 2005	1	(295,357)	(295,356)

	Share capital £'000	Profit and loss account £'000	Total £'000
As at 1 January 2004 as previously reported	1	2,671	2,672
Prior period adjustment (see note 17)	-	(280,644)	(280,644)
Retained profit for the financial year	-	33,036	33,036
Actuarial loss on pension liability net of taxation	-	(72,240)	(72,240)
As at 31 December 2004	1	(317,177)	(317,176)

17. PRIOR PERIOD ADJUSTMENT

The following adjustments have been made to opening shareholders' funds as a result of the adoption of FRS17 "Retirement Benefits" in full in 2005.

	December 2004 £'000	December 2003 £'000
Post-retirement liability (net of deferred tax)	267,400	211,750
Reversal of SSAP24 pension prepayment	80,960	98,420
Deferred tax on SSAP24 pension prepayment	(24,288)	(29,526)
Total prior period adjustments recognised in the statement of total recognised gains and losses	324,072	280,644

18. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under Financial Reporting Standard 8 not to disclose transactions between entities, 90% or more of whose voting rights are controlled within the Marsh & McLennan Companies, Inc., Group. There were no other related party transactions during the year.

MARSH SERVICES LIMITED

NOTES TO THE ACCOUNTS (continued)
Period ended 26 December 2005

19. CONTINGENT LIABILITIES

The Company participates in a sterling cash pooling arrangement with Barclays Bank PLC. Each member of the pool guarantees against all losses incurred as a result of the failure of any other pool member. The other pool members are; Marsh Treasury Services Limited, Marsh & McLennan Companies UK Limited, Marsh Corporate Services Limited, Marsh Limited, Marsh UK Group Limited, Price Forbes Limited, Tower Hill Limited, Tower Place Developments Limited, Marsh International Broking Holdings Limited, MMC Capital Limited, Kroll Ltd and Mercer Oliver Wyman Ltd.

20. POST BALANCE SHEET EVENT

On 28 December 2005, the Company paid £120,120,000 into the Marsh & McLennan Companies UK Limited pension fund. On 1 April 2006 Marsh UK Pension Fund ("the Fund") benefit formula was altered. With effect from that date benefits in respect of service up to 1 April 2006 continue to be calculated on a Final Salary basis. Benefits in respect of service after that date will be calculated on a Career Revalued basis.

21. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company's immediate parent company is Marsh UK Group Limited, incorporated in Great Britain and registered in England and Wales. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in the state of Delaware, USA.

The largest group in which the results of Marsh Services Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The smallest group in which they are consolidated is that headed by Marsh & McLennan Companies UK Limited, registered in England and Wales. The consolidated accounts of Marsh & McLennan Companies UK Limited and of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
Crown Way
Cardiff
CF14 3UZ

and also from:

The Company Secretary
Marsh & McLennan Companies UK Limited
1 Tower Place West
Tower Place
London
EC3R 5BU